

ELIMINATION OF ONE CENT COIN AND ROUNDING

No.	Question	Answer
1.	Why eliminate the 1 cent coin?	<ul style="list-style-type: none"> To save money for the country; the cost of minting is about 21 cents for each 1 cent coin.
2.	What is 'rounding'?	<ul style="list-style-type: none"> Rounding involves the lesser or greater adjustment of a final cash payment to the nearest 5 or 10 cents where the 1 cent coin is unavailable.
3.	What are the Rounding Guidelines and Regulations?	<ul style="list-style-type: none"> Rounding Guidelines were issued by the Central Bank in 2017 to assist the public in understanding how rounding will be done. These apply on a voluntary basis until July 2, 2018. From July 3, 2018, Regulations will make rounding mandatory, since the 1 cent coin will no longer be legal tender. These Regulations can be accessed on the Bank's website under the Currency section.
4.	Will 'rounding' apply to all forms of payment?	<ul style="list-style-type: none"> No, rounding only affects cash payments i.e. payments made using notes and coins. Payments made using non-cash methods such as cheques or electronic payments (e.g. debt, credit and other payment cards) do not need to be rounded because they can be settled electronically in the exact amount of the payment required.
5.	Does everyone have to participate in rounding?	<ul style="list-style-type: none"> At this time, rounding is voluntary for both vendors and consumers. From July 3, 2018, rounding will be mandatory for everyone making cash payments.
6.	Will rounding affect the pricing of goods and /or services?	<ul style="list-style-type: none"> Rounding will not affect individual item prices as it is only applied to the total amount of the bill paid in cash, inclusive of tax. Vendors will not have to re-price their goods to accommodate rounding.
7.	What about VAT and other taxes?	<ul style="list-style-type: none"> Where any fee, tax or duty is payable on its own, in cash, such payment shall be subject to rounding. Duties, taxes or charges applied to the total bill will continue to be calculated in their exact amount prior to rounding.
8.	Will businesses/ vendors have to inform the public of their participation in rounding?	<ul style="list-style-type: none"> Until July 2, 2018, there should be an indication to consumers of the vendor's participation in rounding which could be done by in-store signage visible to the public. From July 3, 2018, it will be the law applicable to all persons making cash payments.
9.	Can the 1 cent coin still be used in cash transactions?	<ul style="list-style-type: none"> At present, the 1 cent coin is still legal tender and persons can still choose to offer the 1 cent coin in payment of cash transactions until July 2, 2018. Effective July 3, 2018, the 1 cent coin will cease being legal tender and cannot be used to make cash payments.
10.	What happens if a consumer does not wish to participate in rounding?	<ul style="list-style-type: none"> Until July 2, 2018 where a vendor wishes to round but the consumer does not agree, a consumer may: <ul style="list-style-type: none"> i. tender the exact cash amount payable; or ii. pay for the good or service using a non-cash method. From July 3, 2018 all persons must comply with the Rounding Regulations as the 1 cent coin will not be legal tender and cannot be accepted for payments.
11.	Where can the 1 cent coin be redeemed?	<ul style="list-style-type: none"> The 1 cent coins can be redeemed for value by persons at their commercial banks and the Central Bank. From July 3, 2018, 1 cent coins can be redeemed for value indefinitely at the counters of the Central Bank.
12.	Are there any conditions for redemption at the Central Bank?	<ul style="list-style-type: none"> The coins must be recognizable as 1 cent coins issued by the Central Bank and must be presented in multiples of five where redeemed for cash.



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